

**UNITED STATES DEPARTMENT OF AGRICULTURE**

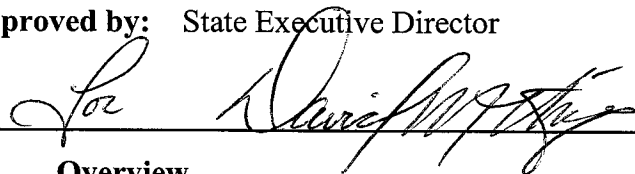
Farm Service Agency  
Room 3416, 700 West Capitol Avenue  
Little Rock, Arkansas 72201

**Arkansas Notice FLP-138**

**For:** All FSA County Offices

**Procedures for Processing Program Loan Cost Expenses (PLCE)  
for Fiscal Year 2005**

**Approved by:** State Executive Director



**1 Overview**

**A Purpose**

This Notice supplements 1-FLP and establishes procedures for ordering and paying for all contractual and non-contractual program loan cost expenses in the Farm Loan Program Areas for Fiscal Year 2005.

**2 Procedures**

**A Ordering and Payment of Noncontractual Items**

All non-contractual items will be ordered by submitting a completed Form AD-700 and a completed Form AD-838-7. All AD-838-7's will include in Item #10 the vendors name, address, a contact person and telephone number. The following statement, which will be signed by the Farm Loan Manager (FLM), will be typed in Item #14:

"I certify that the stated work is appropriate under program regulations and is necessary for the operation of this office."

\_\_\_\_\_  
(Date)

All non-contractual requests will be submitted prior to the work being started. An example for completing an AD-700 is attached as Exhibit A. An example for completing an AD-838-7 for Non-contractual services is attached as Exhibit B.

Disposal

October 1, 2005

Distribution

All FSA County Offices

November 18, 2004

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### 2 Procedures (continued)

#### A Ordering and Payment of Noncontractual Items

Due to the decrease in the amount of funding for FY 2005, an allocation of Non-contractual funds will not be issued for each Farm Loan Area this fiscal year. Instead, all funds will be held in the State Office and disbursed on an "as needed" basis.

Purchase orders for obligation of funds for non-contractual services, along with Form AD-700, must be sent to the State Office for approval by the Farm Loan Chief (FLC). The FLC will return a copy of the approved purchase order to the FLM. Form RD 838-B, along with an original invoice, can then be prepared and approved by the FLM and mailed to the State Office, Attn: Farm Loan Programs, for processing and transmission to NFC.

Any document not fully completed with the information necessary to process the document will be returned to the FLM for proper completion.

#### B Ordering and Payment of Contractual Services

All contractual services, except appraisal requests, will be ordered by submitting a completed Form AD-700, along with a completed Form AD-838-7, "Purchase Order" to the State Office, Attn: Farm Loan Programs. All AD-838-7's will include in item #10 the vendors name, address, a contact person and telephone number. The following statement, which will be signed by the FLM, will be typed in item #14:

"I certify that the stated work is appropriate under program regulations and is necessary for the operation of this office."

\_\_\_\_\_(Date)

**At no time will a contractual purchase order be approved without Form AD-700.** Any purchase order received without this form will be returned to the Farm Loan Manager.

Also, at no time will a vendor be advised to start work until the purchase order has been approved by the Contracting Officer. All contractual documents must have the signature of a warranted Contracting Officer. As specified by FAR 1.602-1(b), only the Contracting Officer has the authority to enter into an agreement with a vendor for contractual supplies or services. An example for completing an AD-838-7 for contractual services is attached as Exhibit C.

2      **Procedures (continued)**

**B Ordering and Payment of Contractual Services**

Beginning October 1, 2003, vendors that do business with USDA must be registered in the Central Contractor Registration System (CCR) before they can be awarded contracts, blanket agreements, blanket purchase agreements or basic ordering agreements. The preferred method of registration is via the World Wide Web at the CCR Website (<http://www.ccr.gov>).

All contractual services, other than appraisal requests, will be paid for by submitting a Form RD 838-B, along with the vendor's invoice to the State Office, Attn: Farm Loan Programs. All invoices must contain the following information:

- |                          |  |
|--------------------------|--|
| a. Date received         | e. Vendor VID ID Number (if known)     |
| b. Invoice Number        | f. Vendors Tax ID Number               |
| c. Purchase Order Number | g. Vendor's signature                  |
| d. Remit to: address     | h. Authorized signature accepting work |

A blank invoice is attached as Exhibit D. An example for completing Form RD 838-B is also attached as Exhibit E. FLM's should pay particular attention to the Date Invoice Received & Date Services Accepted spaces on the form.

Any document not fully completed with the information necessary to process the document will be returned to the FLM for proper completion.

**C Processing Requests for Appraisals Under a Blanket Purchase Agreement (BPA)**

All requests for appraisals will be made by completing Form AD-838-7, "Purchase Order." Requests for appraisals will not be given a purchase order number. The Purchase Order number is assigned when it is submitted with the invoice for payment. An example for completing an AD-838-7 requesting an appraisal is attached as Exhibit F. The following certification will be included on the purchase order and signed by the FLM:

"I certify that the stated work is appropriate under program regulations and is necessary for the operation of this office."

\_\_\_\_\_(Date)

An original and one copy of the Task Description and all required attachments will be forwarded along with the Purchase Order. The Task Description lists the documents that **MUST** be attached. Exhibit G is the current Task Description and is to be used for all appraisal requests.

All services will be invoiced in the month following the completion and acceptance of the appraisals. Contractors under the BPA's are required to submit their monthly invoices between the first and the fifth of each month, for the previous month's work.

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### **2 Procedures (continued)**

#### **C Processing Payments for Appraisals Under a Blanket Purchase Agreement (BPA)**

A purchase order will be submitted along with the RD 838-B and the vendors invoice for payment. This purchase order will show all appraisals accepted throughout the prior month. FLM's must ensure that the correct Action Code and the correct Budget Object Code are used for each appraisal. Form RD 838-B will be submitted, along with the vendors invoice, to the State Office, Attn: Farm Loan Programs. **ALL** vendor invoices submitted for payment must contain the following information:

- |                                    |  |
|------------------------------------|--|
| a. Date Received                   | f. Vendors Tax ID Number               |
| b. Invoice Number                  | g. Vendor's signature                  |
| c. Purchase Order Number           | h. Authorized signature accepting work |
| d. Remit to: address               |  |
| e. Vendor VID number<br>(if known) |  |

Any document not fully completed with the information necessary to process the document will be returned to the FLM for proper completion.

### **3 Inspection and Acceptance**

Failure to accept or reject within seven (7) calendar days after receipt of the invoice or completed work may cause the Government to pay penalty interest. Therefore, it is essential to review all invoices and work within seven (7) calendar days.

### **4 Unauthorized Commitments**

#### **A Policy**

5 CFR Part 2635 states, "Employees shall not knowingly make unauthorized commitments or promises of any kind purporting to bind the Government." Therefore, no person, other than a duly designated Contracting Officer acting within the scope of his or her authority, is authorized to enter into or modify SF-33 or AD-838-7.

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### **4 Unauthorized Commitments (continued)**

#### **B Consequences of Unauthorized Commitments**

When an unauthorized commitment is made, the employee may be:

- a) held responsible for any payment due to the contractor
- b) subject to disciplinary action.

ALL contractual services must be obligated prior to the services being rendered. Simultaneous submission of the AD-838-7 and the RD 838-B without proper authorization and approvals is considered an unauthorized commitment and will be dealt with in accordance with Section 4, Paragraph B, of this notice. Only the Head of the Contracting Activity Designee has the authority to ratify an unauthorized commitment and authorize payment.

### **5 Contact**

Any questions concerning this notice or its Exhibits will be directed to Kathy Padgett, State Office Farm Loan Program Technician, or Karen Petrus, Contracting Officer.

## PROCUREMENT REQUEST

TO: (Procurement Office)

ENTER SERVICE CENTER ADDRESS

1. REQUESTING OFFICE

ENTER SERVICE  
COUNTY

INSTRUCTIONS Agencies must provide entries in unshaded areas. See page 2.

2. RECEIVING OFFICE NO.	3. CONTRACT NUMBER (If Applicable)	4. ORDER DATE	5.	6. UNIT CODE	7. FUND CODE	8. PURCHASE/DELIVERY ORDER NUMBER	9. SUB.	1A. PROCUREMENT REQUEST NO. (Purchase Order Number)			
C/O Fed Strip #	(blank)	(blank)			T8	(blank)		1B. DATE (date form completed)			
CHECK ONE	10. TO: (Seller)					11. SHIP TO: (Consignee and Destination)					
<input checked="" type="checkbox"/> Purchase Order						(COUNTY OFFICE ADDRESS)					
<input type="checkbox"/> Delivery Order						<input checked="" type="checkbox"/> INSIDE DELIVERY REQUESTED					
12. LINE ITEM	13. ACT. CODE	14. DESCRIPTION			15. BUDGET OBJECT	16. ACC. LINE	17. QUANTITY	18. UNIT ISSUE	19. UNIT PRICE	20. AMOUNT	
Line Item No.	A, L, or R	Justification:  (Enter purpose of request)			Budget Object Code from 1-FLP, Exb. 14		Quantity	Unit Issue (ea, jb, etc)	Unit Price	Total Amount of request.	
		For additional information, please contact: (Employee Signature) (telephone number)									
		TECHNICAL CONTACT			TELEPHONE NO.						
21. FOB POINT		22. DISCOUNT TERMS							Sub-Total →	25	
23. REQUIRED DELIVERY (Do not use ASAP) (leave blank)		23A. NEGOTIATED DELIVERY		24. SHIP VIA		26. ESTIMATED FREIGHT			TOTAL →	27 Total Amount	
28 ACC LINE	29. ACCOUNTING CLASSIFICATION									30 DISTRIBUTION	31 AMOUNT
	A	B	C		D	E					
2	5	10	5	3	4	1	4	1	2	2	
RECOMMENDED SOURCE(S) (If necessary, use attachment)											
(VENDOR'S NAME AND ADDRESS)											
I certify that the above items are necessary for use in the public service.											
TITLE											
LEAVE BLANK – SIGNED ONLY BY THE FARM LOAN CHIEF											
SIGNATURE OF AUTHORIZED REPRESENTATIVE											

UNITED STATES DEPARTMENT OF AGRICULTURE  
PURCHASE ORDER

10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)

SHIP  
TO

FSA Service Center Address

20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)( )

21 F.O.B. POINT N/A	22 DISCOUNT AND/OR NET PAYMENT TERMS N/A	22a TYPE COMMODITY/ PAYMENT CODE X	Sub-Total	25 amount
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) N/A	24 SHIP VIA N/A	26 ESTIMATED FREIGHT	TOTAL	27 amount

-2	A 5	B 10	C 5      3	D 4	E 1    4    1    2	2
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX BLANK XXXXXXXXXXXXXXXXXXXXXXXXXXXX						

					31b ORDERED BY (Name and Title) LEAVE BLANK	
32 SIGNATURE AND TITLE					31c COMMERCIAL PHONE (Area Code and Number) LEAVE BLANK	
33 RECEIPT DATE		34 TYPE SHIPMT		35 RECEIVING OFFICE PHONE (A/C & No.)		31d FTS PHONE NO.
				FTS	COMM	31e AUTHORIZED SIGNATURE

## Exhibit C

FORM AD-838-7 (Rev. 7/90)



INVOICE  
USDA, FARM SERVICE AGENCY

Invoice Number: \_\_\_\_\_

Invoice Date: \_\_\_\_\_

PO Number: \_\_\_\_\_

Remit to:

Tax ID Number: \_\_\_\_\_

Amount to be Paid: \$ \_\_\_\_\_

\_\_\_\_\_  
Vendor Signature

\_\_\_\_\_  
Date

I have reviewed and accepted the services which were requested and recommend payment.

\_\_\_\_\_  
FLM Signature

\_\_\_\_\_  
Date

1. Purchase Order Number <b>Purchase Order #</b>		2. Mod No.	3. Payment Code		4. Date Services Accepted <b>date work accepted</b>		5. Date Invoice Received <b>date invoice rec'd (date stamped)</b>	
Must match vendors invoice number		7. Vendor Name <b>Vendor's Name</b>				8. Vendor Number <b>Vendor's Tax ID number</b>		
I certify the items billed were received, inspected, and accepted as complying with this order except as noted below. The amounts are to be charged to line items as follows: <b>Contractual - FLM signs here; Non-Contractual - Leave Blank</b>						9. MFH Project No.		
10 Mod Mod	11 Line Item No.	12 State Code	13 County Code	14 Borrower/Property Identification No.	15 Loan No.	16 Amort. Period	17 Quantity	18 Dollar Amount
<b>***NOTE: THE LINE ITEM NUMBER(S) MUST MATCH THE LINE ITEM NUMBER(S) ON THE AD-838-7.</b> <b>IF THE ACTION CODE FOR A LINE ITEM IS "A", NOTHING WILL BE ENTERED IN BLOCK #14 OR #15</b> <b>OF THE 838-B. ITEM #13 WILL ALWAYS BE THE BORROWER'S COUNTY CODE, NOT THE FARM</b> <b>LOAN AREA MAIL CODE. IF COMPLETED, ITEM #14 WILL ALWAYS BE 10 DIGITS. IF ITEM #14 IS A</b> <b>CASE NUMBER, ITEM #15 MUST ALSO BE COMPLETED TO SHOW THE LOAN NUMBER THE</b> <b>CHARGE WILL BE APPLIED TO.</b>								
<b>19. Total</b>								
20. Receipt Exception								
21. Fedstrip No. of Requesting Office All contractual - 7A85; All Non-Contractual - c/o fed strip #					22. Address of Requesting Office All contractual - STO address All non-contractual - c/o address			
23. Name of Authorized Official All contractual - leave blank; All non-contractual - FLM name					25. Date			
24. Signature of Authorized Official Signature of FLM ONLY if non-contractual					26. Phone Number leave blank, unless non-contractual			

UNITED STATES DEPARTMENT OF AGRICULTURE  
PURCHASE ORDER

10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)SHIP  
TO

PHONE  
(A/C & No.) (501) 301-3030

Check  
One

COMM

☒

20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)( ),					
21 F.O.B. POINT N/A	22 DISCOUNT AND/OR NET PAYMENT TERMS N/A	22a TYPE COMMODITY/ PAYMENT CODE 0	Sub-Total	25	102,90
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) LEAVE BLANK	24 SHIP VIA N/A	26 ESTIMATED FREIGHT N/A	TOTAL	27	102,90

- 2	A 5	B 10	C 5	3	D 4	1	E 4	1	2	2	
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX BLANK XXXXXXXXXXXXXXXXXXXXXXXXXXXX											

31c COMMERCIAL PHONE (Area Code and Number)

31d FTS PHONE NO.

LEAVE BLANK
31e AUTHORIZED SIGNATURE

35 RECEIVING OFFICE  
PHONE (A/C & No.)

ETS

COMM

31e	AUTHORIZED SIGNATURE
-----	----------------------

UNITED STATES DEPARTMENT OF AGRICULTURE  
FARM SERVICE AGENCY  
TASK DESCRIPTION

County \_\_\_\_\_ Area \_\_\_\_\_

.....  
Complete with name of individual to receive assignment:

APPRAISER: \_\_\_\_\_

.....  
RE: APPLICANT/BORROWER: \_\_\_\_\_

.....  
To be completed for all assignments:

Contact Person: \_\_\_\_\_ Phone No. \_\_\_\_\_  
Address: \_\_\_\_\_ Phone No. \_\_\_\_\_  
Owner of Property: \_\_\_\_\_ Phone No. \_\_\_\_\_  
Renter of Property, if rented: \_\_\_\_\_ Phone No. \_\_\_\_\_  
Occupied: \_\_\_ Yes \_\_\_ No, Caretaker? \_\_\_\_\_ Phone No. \_\_\_\_\_  
Listing Realtor: \_\_\_\_\_ Phone No. \_\_\_\_\_

.....  
Type of unit to be appraised (check all that apply)

Type	Enterprises
( ) Row crop	( ) Cotton ( ) Rice ( ) Soybeans ( ) Wheat ( ) Milo ( ) Corn
( ) Livestock	( ) Beef Cattle ( ) Dairy ( ) Swine ___ Farrow or ___ Finish
( ) Poultry	( ) Broiler ( ) Hen ___ Breeder or ___ Layer ( ) Turkey
	Under Contract ___ Y ___ N Integrator _____
( ) Other	Specify: _____ (list SFH and lot here)

.....  
Total Acres \_\_\_\_\_ Crop acres \_\_\_\_\_ Pasture \_\_\_\_\_ Woods/Timber \_\_\_\_\_  
Other \_\_\_\_\_

**Improvements: (Specify all that apply)**

Dwellling(s) \_\_\_\_\_ Barn(s) \_\_\_\_\_ Poultry/Swine Buildings \_\_\_\_\_ Shed(s) \_\_\_\_\_

Specifically list any others: \_\_\_\_\_

.....

**Purpose of Appraisal:**☐ New Loan ☐ Foreclosure ☐ Transfer ☐ 3<sup>rd</sup> Party Litigation ☐ 1951-S☐ SAA ☐ Inventory Servicing ☐ Voluntary Conveyance ☐ Bankruptcy☐ Partial Release ☐ Other Specify: \_\_\_\_\_

.....

Other Comments/Instructions: (specific problems, concerns, sensitive points, manner of contact: i.e.: temperament of owner/borrower, animals (dogs) present on property, etc.)

\_\_\_\_\_

\_\_\_\_\_

.....

**THE FOLLOWING DOCUMENTS MUST BE ATTACHED**☐ Legal Description (Copy-able, legible, and accurate). The appraiser will appraise what he gets.☐ Address \_\_\_\_\_ City \_\_\_\_\_ Zip \_\_\_\_\_  
The appraiser can often times get his location map off the internet before leaving his office.☐ Copy of current AD-1026-A. This is needed for the appraiser to be aware of HEL and Wetlands. CPA-026's should also be available for appraiser.☐ Copy of any CRP contracts.

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The following must be attached, if applicable:

☐ FSA-156-EZ☐ Plans, Specs, Plot plans for new development.☐ Repair list for "As Improved" value.☐ Equipment list.☐ A copy of any survey.☐ Copy of any known easements.

.....

**THE ABOVE HAS BEEN REVIEWED FOR ACCURACY:**\_\_\_\_\_  
Requesting Official\_\_\_\_\_  
Date